

*4th Annual GSA Smartpay  
Conference  
Department of Defense Day  
Travel Card Program Update*



*August 29, 2002*



# **Task Order Modification**

- Signed April 2001**
  - Late fee increased from \$20 to \$29 Per Cycle**
  - Return check fee increased from \$20 to \$29 per incident**
  - ATM Cash Advance Fee raised to \$2 or 3%, whichever is greater**
  - Implementation of \$20 fee for expeditious delivery of cards**
  - \$10 Pay-by-Phone Fee**

# **Task Order Modification**

- **Implementation of Salary Offset - began October 2001**

**AS OF JULY 2002**

**53,000 Accounts Forwarded                      \$77M debt**

**39,000 Accounts Placed in Offset              \$54M debt**

**\$19.5M collected to date**

# **Task Order Modification**

- Reduction of Credit Limits for both Standard and Restricted Cards**
- Reduction of Number of Cards Held by Infrequent Travelers**
  - 227K canceled/deactivated Nov-Dec 01**
  - Notified the Bank to cancel 400K cards with no activity in 12 months**
- Implementation of Default Split Disbursement still pending - voluntary split disbursement available and encouraged**

# **Split Disbursement**

- **Voluntary split available today by notation on DD 1351-2**
  - **Individual elects amount sent to bank direct**
- **Default split still pending**
  - **If no selection is made on settlement voucher; transportation, lodging, and rental car will automatically go to the Bank of America**
- **Legislative provision for mandatory split in Senate version of FY03 Authorization bill**

# **Task Order Modification**

- **Notification of Commander and cardholder when account is delinquent**
- **Debit Card allowed as an alternative**

# **DoD Charge Card Task Force Recommendations/Status**

## **CO 1 - Guidance on Stewardship of Resources**

**STATUS - Complete** Deputy Secretary of Defense memo and Service/Agency Responses

## **CO 2 - Implementation of Overarching Regulation Assigning Program Responsibility**

**STATUS** - Comptroller/General Counsel developing draft

## **CO 3 - Positive Control of Cards at Separation**

**STATUS** - Pay System output being reviewed

## **CO 4 - Data Mining for Purchase and Travel Cards**

**STATUS** - Indicators developed for Purchase Cards, initial look at CBAs for travel cards underway

# **DoD Charge Card Task Force Recommendations/Status**

## **TC 1 - Develop Metrics for Senior Managers**

**STATUS:** Draft set developed and pending approval

## **TC 2 - Accelerate Split Disbursement**

**STATUS:** Legislation for Mandatory Split Disbursement pending, Default Split if unsuccessful

## **TC 3 - Review and Reduce Infrequent Travelers with Cards**

**STATUS: Complete** Comptroller Memo 19 Jul 02 directed cancellation of accounts with no activity in 12 months and periodic review. Notification provided to Bank, semi-annual process to be conducted.

## **TC 4 - Component Review of Infrequent Traveler Definition**

**STATUS: Complete** Navy changed to 4 or less trips per year approved. Implementation to be determined by Navy.



# **DoD Charge Card Task Force Recommendations/Status**

## **TC 5 - Expand Salary Offset**

**STATUS:** Legislative Proposal to be Developed

## **TC 6 - Investigate Voucher Settlement Process**

**STATUS:** Ongoing review of process within each Service

## **TC 7 - Evaluate Alternatives to Travel Charge Card**

**STATUS:** Discussions held with Bank of America on Debit Cards

## **TC 8 - Exemption for Mandatory Travel Card Use for En-Route Travel**

**STATUS:** Financial Management Regulation being revised

## **TC 9 - Evaluate Control Mechanisms in DTS**

**STATUS:** Ongoing discussions with DTS Program Office

# **DoD Charge Card Task Force Recommendations/Status**

**TC 10 - Investigative Agencies Coordination with Security Managers**

**STATUS:** DoD IG to issue guidance

**TC 11 - Review Compliance Sections of Regulations**

**STATUS:** Draft changes to FMR developed

**TC 12 - Increase Awareness of Training Materials**

**STATUS:** CD being developed for awareness of Purchase and Travel Card responsibilities and requirements with links to specific references and training sources

# DoD FMR Changes - Draft

## Volume 9, Chapter 3

**Section 030104 - Compliance** Establishes Command and supervisory responsibility for compliance. States authority for disciplinary actions stemming from misuse or abuse.

**Section 030208 - Command and Supervisory Responsibilities**  
States Commanders and supervisors may be held accountable for failure to take appropriate actions.

**Section 030501 D - Automated Teller Machine (ATM) Access**  
Clarifies cardholders must request reimbursement for ATM fees

**Section 030607 - Misuse** Clarifies that use of the card for other than authorized official travel may result in administrative and disciplinary action. Personal use, ATM withdrawals not associated with travel, and failure to pay in a timely manner are stated examples of misuse.

# Other Ongoing Actions

- **Mission Critical Status re-defined**

- Comptroller memo May 7, 2002
- ONLY if unable to file a claim by any means and unable to maintain timely payments
- Travel Orders must specify time period for status
- Supervisory approval required for designation
- Statement required on voucher, approved by supervisor indicating status designation and inability to file claim in order to be reimbursed for late fees.

- **System Change Request to Automate Stop Orders for Salary Offset**

- **National Guard Order Writer System updated with EAGLS data**

- **Web Site for Checking Travel Voucher Status - DFAS Indianapolis**

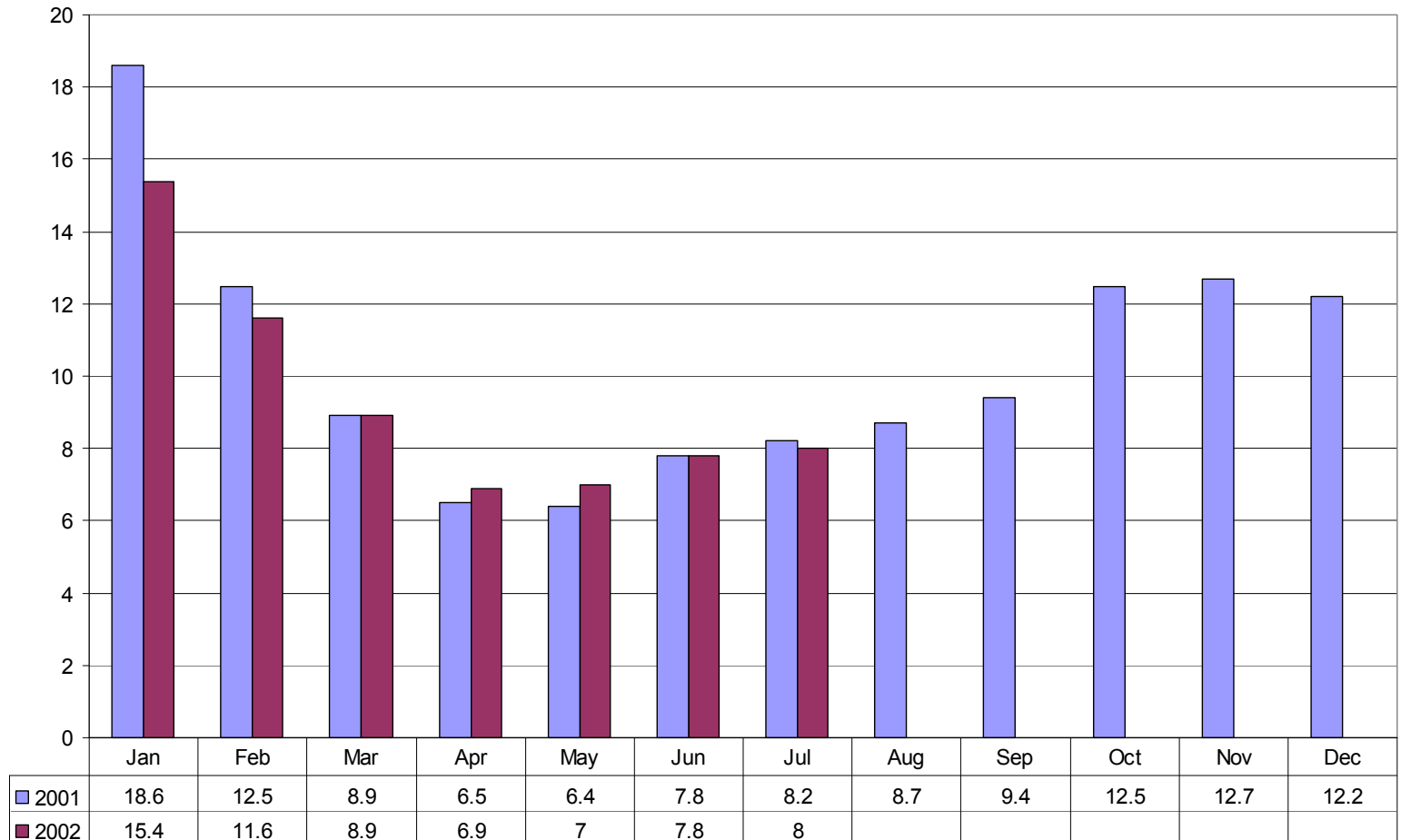
<https://dfas4dod.dfas.mil/centers/dfasin/travpay/>

# **IBA Program**

- **IBAs are the financial responsibility of the cardholder (NOT the government)**
- **Command responsibility to ensure program is not abused - Deputy Secretary of Defense memo to Services/Agency Heads June 21, 2002**
- **Failure to pay debt can be basis for disciplinary action for both military and civilians**

# Individually Billed Accounts

DoD Total Delinquency % of \$



# **Training & Tools Available**

- **General Services Administration**
  - Oversight of the Master Contract for Smart Pay Program
  - A/OPC Survival Guide
  - Do's and Don'ts Pamphlet
  - Travel Forums (discussions on changes/initiatives)
  - Online training
- **Bank of America**
  - Desk top reference guide (CD-ROM)
  - EAGLS (Electronic Account Government Ledger System)
  - User training (Norfolk and on-site)
  - Government Card Services Unit Technical HelpDesk  
[www.gcsuthd.bankofamerica.com](http://www.gcsuthd.bankofamerica.com)
  - Government Card Services Unit worldwide 800 number  
1-800-472-1424

# **Training & Tools Available**

- **EAGLS Reports Available to APCs and CPMs**
  - **Aging Analysis (30/60/90/120/150/180 days past due)**
  - **Delinquency (60+ day past due)**
  - **Pre-Suspension (45 days past due)**
  - **Transaction Activity (account info)**
  - **Lost/Stolen Cards**
  - **Infrequent Traveler (cards expiring without use)**
  - **ATM**
  - **Non-Travel Activity**
  - **Others**



# **Training & Tools Available**

- **Service Component Program Managers**
- **DFAS Travel Card Program Management Office**

# **Travel Card Program Management Office**

**Office: 703.607.5050**

**Fax: 703.607.2129**

***DFAS Website: [www.dfas.mil](http://www.dfas.mil)***

